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C O N F I D E N T I A L SECTION 01 OF 02 WELLINGTON 000591

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TAGS: [PGOV](#) [PREL](#) [NZ](#)

SUBJECT: NZ OPPOSITION NATIONAL PARTY CONFERENCE - WHAT A  
DIFFERENCE A YEAR MAKES

REF: A. WELLINGTON 539 (NATS BACK AWAY FROM PRE-ELECTION  
CHANGE)  
[1](#)B. WELLINGTON 89 (OPPOSITION BLASTS RACIAL POLICIES)  
[1](#)C. 03 WELLINGTON 713 (STILL STRUGGLING OVER  
LEADERSHIP)

Classified By: POLITICAL AND ECONOMIC COUNSELOR,  
TIMOTHY P. ZUNIGA-BROWN FOR REASONS 1.5(B, D)

[1](#)1. (C) Summary: New Zealand's largest opposition party, National, held an up-beat, almost giddy, Annual Conference July 9-11. Polling slightly ahead of the ruling Labour government, conference delegates expressed confidence in winning the 2005 election. In contrast to the festive atmosphere, Nat Party leader Brash - a former Reserve Bank chief - cautioned conference delegates to avoid complacency. The National Conference studiously avoided any public discussion of NZ's anti-nuclear legislation; foreign policy and defense issues did not appear on the formal agenda. While National's standing in the polls (around 42 percent) has resulted in increased membership and a growing belief in the possibility of a 2005 win, National's leadership remains nervous. End summary.

Cohesion, Stability, Policy  
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[1](#)2. (C) New Zealand's largest opposition parliamentary party, National, held its Annual Conference in Auckland July 9-11. In sharp contrast to the 2003 conference (ref C), when National was polling at half of this year's level, the conference was attended by almost 600 enthusiastic delegates, who expressed confidence in winning the 2005 election. A rock'n'roll version of the National Anthem, a rousing speech by controversial Auckland Mayor John Banks (a former National Party Minister), and a taped video appearance by Australian Prime Minister John Howard reflected this optimism. Pragmatically, the true focus of the agenda was on explaining the candidate selection process, policy development and campaign planning. The agenda was carefully designed to display the Party cohesion -- which had been missing in the aftermath of the Nat's disastrous 2002 election. The conference highlighted National's core policies and served as a showcase for up-and-coming talent from the pool of current MPs. Associate Finance Minister John Key and Welfare Spokeswoman Katherine Rich were standouts, delivering strong speeches despite their relative newness to politics. Opposition leader Don Brash was in high demand, managing to appear not only at the speeches, but at coffees and breakfasts, eagerly searching out recommendations for ways to broaden the Party's appeal.

Caution ) Danger Ahead  
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[1](#)3. (C) In contrast to the festive atmosphere, the personally somber Brash - a former Reserve Bank head - delivered a "very sobering message," asking delegates to work doubly hard to avoid looking back on a scrap-book of temporary polling successes.<sup>8</sup> A Conference theme admonished Nat leaders to resist the urge to gloat and to focus on the rough campaign ahead. National is polling in the mid-40 percent range - roughly parallel to the Labour Government. Internal party polls show that policy issues yet to be raised by Don Brash in the lead up to 2005 elections (welfare, education, and economic development) were unlikely to give the Nats the kind of broad popular boost in the polls that followed Brash's recent speech on race on race relations (ref b). In a shift from the policies pursued in the 2002 election, where National tried to appeal to center-left voters, the Conference hammered home the catchphrases of the center-right ) all major policy speeches emphasized the importance of personal responsibility, the paramount importance of the nuclear family and the necessity of tax cuts and support for employers.

Don't Rock the (Nuclear) Boat  
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[1](#)4. (C) The National Conference studiously avoided any public discussion of NZ's anti-nuclear legislation; foreign policy and defense issues did not appear on the formal agenda. In a

closed session on Party polling, Nat Party leaders pointed to a serious dip in public support for National's defense policy following the release of an internal party report (Creech Commission report) that recommended changing NZ's anti-nuclear legislation. The polls rose following Brash's announcement (ref A) that any changes to the legislation would be taken to a referendum after the 2005 election. A breakfast meeting billed as a discussion of the Creech Commission report was instead a broad discussion of reforms needed to improve the New Zealand Defence Force. Nat Party staffers noted that the speaker had been asked to pull back from the nuke issue in fear that it could overshadow media coverage of the Conference.

Comment

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15. (C) National's rise in the polls from the 20s to the 40s has resulted in increased membership and a growing belief within the party that they just might win in 2005. However, National's leadership remains nervous, wary that a single misstep or misread of public support could plunge the party back into the doldrums. National's surge in the polls is largely due to Don Brash and his reputation as a political outsider. Equally, National's caucus is largely inexperienced and its candidate talent pool is not very deep. Still, National under Don Brash has transformed itself - at least for now - into a viable contender.  
Swindells